

be kept under this part regarding processed tobacco within customs custody, although this will not preclude TTB review of records related to such processed tobacco as may be appropriate for purposes of the enforcement of the provisions of this part.

(26 U.S.C. 5741)

[T.D. TTB-78, 74 FR 29416, June 22, 2009, as amended by T.D. TTB-104, 77 FR 37305, June 21, 2012]

§ 41.262 Reports.

(a) *General.* Every importer of processed tobacco must prepare a monthly report on TTB F 5220.6 in accordance with the instructions for the form. The report must be prepared at the times specified in this section and must be prepared whether or not any operations or transactions occurred during the period covered by the report. The importer must retain a copy of each report in accordance with the provisions of this subpart. The importer need not include in the reports under this part information regarding processed tobacco that is in customs custody.

(b) *First report(s).* The first monthly report must be submitted by the 15th day of the month following the month in which the permit is issued. If the importer is operating as an importer of processed tobacco under the transitional rule in accordance with § 41.233, the importer must submit the first report by the 15th day of the month following the month in which TTB provides written acknowledgement of the receipt of the application filed under § 41.232.

(c) *Reports of no activity.* Reports with the notation “No Activity” must be made for those months in which no activity occurs.

(d) *Reports of sales and transfers.* (1) Except as otherwise provided in paragraph (d)(2) of this section, an importer that exports processed tobacco or transfers or sells processed tobacco to someone other than a person holding a permit as an importer or manufacturer of processed tobacco or tobacco products or as an export warehouse proprietor must report each such exportation, sale, or transfer on TTB F 5250.2 by the close of the next business day following the day of exportation, sale,

or transfer, in accordance with the instructions on the form.

(2) In the case of removals for export, as an alternative to the procedure prescribed in paragraph (d)(1) of this section, the importer may submit to TTB monthly summary reports of such removals in a format approved by the appropriate TTB officer. Prior to the use of such an alternate procedure, the importer must obtain written approval from the appropriate TTB officer.

(3) An importer that ships or transfers processed tobacco for scientific testing or testing of equipment which results in the destruction of the processed tobacco or the return of the processed tobacco is not required to report such shipment or transfer on TTB F 5250.2.

(e) *Concluding report.* When a transfer of ownership of the business of an importer of processed tobacco described in § 41.252(b) occurs, or when a change in control of a corporation described in § 41.252(d) occurs, a concluding report with the notation “Concluding Report” must be made for the month or partial month during which the transfer of ownership or change in control becomes effective. A concluding report must also be made for the month or partial month during which an importer concludes operations under the permit or authorization.

(26 U.S.C. 5722)

[T.D. TTB-78, 74 FR 29416, June 22, 2009, as amended by T.D. TTB-104, 77 FR 37305, June 21, 2012]

§ 41.263 Maintenance of records and reports.

All records and reports required by this subpart must be maintained separately, chronologically by transaction or reporting date, at the importer's principal place of business. The appropriate TTB officer may, pursuant to a written request, authorize files, or an individual file, to be maintained at another business location under the control of the importer, provided that the alternative location does not cause undue inconvenience to TTB when attempting to examine the files and does not delay the timely transmittal of

§ 41.264

any documents required to be submitted to TTB.

(26 U.S.C. 5741)

§ 41.264 Inventories.

Every importer of processed tobacco must provide a true and accurate inventory of any processed tobacco stored on premises designated pursuant to § 41.237. The importer must make such an inventory at the time of commencing business, at the time of transferring ownership, at the time of changing the location of facilities in which processed tobacco is stored, at the time of concluding business, and at such other time as the appropriate TTB officer may require. A specific format is not prescribed. For permits issued prior to June 21, 2012, the permittee has 180 days from June 21, 2012, to make an inventory as required under this paragraph.

[T.D. TTB-104, 77 FR 37305, June 21, 2012]

OTHER PROVISIONS APPLICABLE TO IMPORTERS OF PROCESSED TOBACCO

§ 41.271 Power of attorney.

If the application for a permit or authorization or any report or other document required to be executed under this subpart is to be signed by an individual (including one of the partners for a partnership or one of the members of an association) as an attorney in fact for any person, or if an individual is otherwise to officially represent such person, power of attorney on TTB F 5000.8 shall be furnished to the appropriate TTB officer. Such power of attorney is not required for persons whose authority is furnished with the corporate documents as required by § 41.234. Form 5000.8 does not have to be filed again with an appropriate TTB officer where such form has previously been submitted to TTB and is still in effect.

§ 41.272 Cross reference.

For other applicable provisions pertaining to forms prescribed, retention of records, interference with administration, alternate methods or procedures, emergency variations from requirements, penalties and forfeitures,

27 CFR Ch. I (4-1-13 Edition)

and delegations of the Administrator, see subpart C of this part.

§ 41.273 Suspension and revocation of permit.

Where the appropriate TTB officer has reason to believe that an importer of processed tobacco has not in good faith complied with the provisions of 26 U.S.C. chapter 52, and regulations thereunder, or with any other provision of 26 U.S.C. with intent to defraud, or has violated any condition of his permit, or has failed to disclose any material information required or made any material false statement in the application for the permit, or is, by reason of previous or current legal proceedings involving a felony violation of any other provision of Federal criminal law relating to tobacco products, processed tobacco, cigarette paper, or cigarette tubes, not likely to maintain operations in compliance with 26 U.S.C. chapter 52, or has been convicted of a felony violation of any provision of Federal or State criminal law relating to tobacco products, processed tobacco, cigarette paper, or cigarette tubes, the appropriate TTB officer shall issue an order, stating the facts charged, citing such person to show cause why his permit should not be suspended or revoked. Such citation shall be issued and opportunity for hearing afforded in accordance with part 71 of this chapter, which part is applicable to such proceedings. If, after hearing, the hearing examiner, or on appeal, the Administrator, finds that such person has not shown cause why his permit should not be suspended or revoked, such permit shall be suspended for such period as the appropriate TTB officer deems proper or shall be revoked.

PART 44—EXPORTATION OF TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES, WITHOUT PAYMENT OF TAX, OR WITH DRAWBACK OF TAX

Subpart A—Scope of Regulations

Sec.

44.1 Exportation of tobacco products, and cigarette papers and tubes, without payment of tax, or with drawback of tax.

44.2 Forms prescribed.

44.3 Delegations of the Administrator.